JS 44 (Rev. 07/16)

CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. *(SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)*

I. (a) PLAINTIFFS
Christine Bernstein

DEFENDANTS
Keaveney Legal Group, James P. Keaveney, Joshua Thomas

(b) County of Residence of First Listed Plaintiff: Suffolk County, MA
(EXCEPT IN U.S. PLAINTIFF CASES)

County of Residence of First Listed Defendant: Camden County, NJ
(IN U.S. PLAINTIFF CASES ONLY)
NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.

(c) Attorneys *(Firm Name, Address, and Telephone Number)*
Gowen Rhoades Winograd & Silva, PLLC - Mark L. Rhoades
1420 Walnut Street, Suite 1320, Philadelphia, PA 19102
215-496-9002

Attorneys *(If Known)*

II. BASIS OF JURISDICTION *(Place an "X" in One Box Only)*

- ☐ 1 U.S. Government Plaintiff
- ☐ 3 Federal Question *(U.S. Government Not a Party)*
- ☐ 2 U.S. Government Defendant
- ☒ 4 Diversity *(Indicate Citizenship of Parties in Item III)*

III. CITIZENSHIP OF PRINCIPAL PARTIES *(Place an "X" in One Box for Plaintiff and One Box for Defendant)* *(For Diversity Cases Only)*

	PTF	DEF		PTF	DEF
Citizen of This State	☐ 1	☐ 1	Incorporated *or* Principal Place of Business In This State	☐ 4	☐ 4
Citizen of Another State	☒ 2	☐ 2	Incorporated *and* Principal Place of Business In Another State	☐ 5	☒ 5
Citizen or Subject of a Foreign Country	☐ 3	☐ 3	Foreign Nation	☐ 6	☐ 6

IV. NATURE OF SUIT *(Place an "X" in One Box Only)*

CONTRACT
- ☐ 110 Insurance
- ☐ 120 Marine
- ☐ 130 Miller Act
- ☐ 140 Negotiable Instrument
- ☐ 150 Recovery of Overpayment & Enforcement of Judgment
- ☐ 151 Medicare Act
- ☐ 152 Recovery of Defaulted Student Loans (Excludes Veterans)
- ☐ 153 Recovery of Overpayment of Veteran's Benefits
- ☐ 160 Stockholders' Suits
- ☐ 190 Other Contract
- ☐ 195 Contract Product Liability
- ☐ 196 Franchise

TORTS

PERSONAL INJURY
- ☐ 310 Airplane
- ☐ 315 Airplane Product Liability
- ☐ 320 Assault, Libel & Slander
- ☐ 330 Federal Employers' Liability
- ☐ 340 Marine
- ☐ 345 Marine Product Liability
- ☐ 350 Motor Vehicle
- ☐ 355 Motor Vehicle Product Liability
- ☐ 360 Other Personal Injury
- ☐ 362 Personal Injury - Medical Malpractice

PERSONAL INJURY
- ☐ 365 Personal Injury - Product Liability
- ☐ 367 Health Care/ Pharmaceutical Personal Injury Product Liability
- ☐ 368 Asbestos Personal Injury Product Liability

PERSONAL PROPERTY
- ☒ 370 Other Fraud
- ☐ 371 Truth in Lending
- ☐ 380 Other Personal Property Damage
- ☐ 385 Property Damage Product Liability

FORFEITURE/PENALTY
- ☐ 625 Drug Related Seizure of Property 21 USC 881
- ☐ 690 Other

BANKRUPTCY
- ☐ 422 Appeal 28 USC 158
- ☐ 423 Withdrawal 28 USC 157

PROPERTY RIGHTS
- ☐ 820 Copyrights
- ☐ 830 Patent
- ☐ 840 Trademark

OTHER STATUTES
- ☐ 375 False Claims Act
- ☐ 376 Qui Tam (31 USC 3729(a))
- ☐ 400 State Reapportionment
- ☐ 410 Antitrust
- ☐ 430 Banks and Banking
- ☐ 450 Commerce
- ☐ 460 Deportation
- ☐ 470 Racketeer Influenced and Corrupt Organizations
- ☐ 480 Consumer Credit
- ☐ 490 Cable/Sat TV
- ☐ 850 Securities/Commodities/ Exchange
- ☐ 890 Other Statutory Actions
- ☐ 891 Agricultural Acts
- ☐ 893 Environmental Matters
- ☐ 895 Freedom of Information Act
- ☐ 896 Arbitration
- ☐ 899 Administrative Procedure Act/Review or Appeal of Agency Decision
- ☐ 950 Constitutionality of State Statutes

LABOR
- ☐ 710 Fair Labor Standards Act
- ☐ 720 Labor/Management Relations
- ☐ 740 Railway Labor Act
- ☐ 751 Family and Medical Leave Act
- ☐ 790 Other Labor Litigation
- ☐ 791 Employee Retirement Income Security Act

SOCIAL SECURITY
- ☐ 861 HIA (1395ff)
- ☐ 862 Black Lung (923)
- ☐ 863 DIWC/DIWW (405(g))
- ☐ 864 SSID Title XVI
- ☐ 865 RSI (405(g))

REAL PROPERTY
- ☐ 210 Land Condemnation
- ☐ 220 Foreclosure
- ☐ 230 Rent Lease & Ejectment
- ☐ 240 Torts to Land
- ☐ 245 Tort Product Liability
- ☐ 290 All Other Real Property

CIVIL RIGHTS
- ☐ 440 Other Civil Rights
- ☐ 441 Voting
- ☐ 442 Employment
- ☐ 443 Housing/ Accommodations
- ☐ 445 Amer. w/Disabilities - Employment
- ☐ 446 Amer. w/Disabilities - Other
- ☐ 448 Education

PRISONER PETITIONS

Habeas Corpus:
- ☐ 463 Alien Detainee
- ☐ 510 Motions to Vacate Sentence
- ☐ 530 General
- ☐ 535 Death Penalty

Other:
- ☐ 540 Mandamus & Other
- ☐ 550 Civil Rights
- ☐ 555 Prison Condition
- ☐ 560 Civil Detainee - Conditions of Confinement

IMMIGRATION
- ☐ 462 Naturalization Application
- ☐ 465 Other Immigration Actions

FEDERAL TAX SUITS
- ☐ 870 Taxes (U.S. Plaintiff or Defendant)
- ☐ 871 IRS—Third Party 26 USC 7609

V. ORIGIN *(Place an "X" in One Box Only)*

☒ 1 Original Proceeding ☐ 2 Removed from State Court ☐ 3 Remanded from Appellate Court ☐ 4 Reinstated or Reopened ☐ 5 Transferred from Another District *(specify)* ☐ 6 Multidistrict Litigation - Transfer ☐ 8 Multidistrict Litigation - Direct File

VI. CAUSE OF ACTION

Cite the U.S. Civil Statute under which you are filing *(Do not cite jurisdictional statutes unless diversity)*:
28 USC § 1332

Brief description of cause:
Unfair Trade Practices and Consumer Protection Laws

VII. REQUESTED IN COMPLAINT:

☐ CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, F.R.Cv.P.

DEMAND $ In excess of $150,000

CHECK YES only if demanded in complaint:
JURY DEMAND: ☒ Yes ☐ No

VIII. RELATED CASE(S) IF ANY

(See instructions): JUDGE ______ DOCKET NUMBER ______

DATE: 10/18/2016

SIGNATURE OF ATTORNEY OF RECORD: [signature]

FOR OFFICE USE ONLY

RECEIPT # ______ AMOUNT ______ APPLYING IFP ______ JUDGE ______ MAG. JUDGE ______

UNITED STATES DISTRICT COURT

FOR THE EASTERN DISTRICT OF PENNSYLVANIA — DESIGNATION FORM to be used by counsel to indicate the category of the case for the purpose of assignment to appropriate calendar.

Address of Plaintiff: 660 Ocean Avenue, Apt. 525, Revere, MA 02151

Address of Defendant: 1101 N. Kings Highway, Suite G100, Cherry Hill, NJ 08034

Place of Accident, Incident or Transaction: Philadelphia, PA

(Use Reverse Side For Additional Space)

Does this civil action involve a nongovernmental corporate party with any parent corporation and any publicly held corporation owning 10% or more of its stock?
(Attach two copies of the Disclosure Statement Form in accordance with Fed.R.Civ.P. 7.1(a)) Yes☐ No☒

Does this case involve multidistrict litigation possibilities? Yes☐ No☐

RELATED CASE, IF ANY:
Case Number: ______ Judge ______ Date Terminated: ______

Civil cases are deemed related when yes is answered to any of the following questions:

1. Is this case related to property included in an earlier numbered suit pending or within one year previously terminated action in this court? Yes☐ No☒
2. Does this case involve the same issue of fact or grow out of the same transaction as a prior suit pending or within one year previously terminated action in this court? Yes☐ No☒
3. Does this case involve the validity or infringement of a patent already in suit or any earlier numbered case pending or within one year previously terminated action in this court? Yes☐ No☒
4. Is this case a second or successive habeas corpus, social security appeal, or pro se civil rights case filed by the same individual? Yes☐ No☒

CIVIL: (Place ✔ in ONE CATEGORY ONLY)

A. *Federal Question Cases:*
1. ☐ Indemnity Contract, Marine Contract, and All Other Contracts
2. ☐ FELA
3. ☐ Jones Act-Personal Injury
4. ☐ Antitrust
5. ☐ Patent
6. ☐ Labor-Management Relations
7. ☐ Civil Rights
8. ☐ Habeas Corpus
9. ☐ Securities Act(s) Cases
10. ☐ Social Security Review Cases
11. ☐ All other Federal Question Cases
(Please specify) ______

B. *Diversity Jurisdiction Cases:*
1. ☐ Insurance Contract and Other Contracts
2. ☐ Airplane Personal Injury
3. ☐ Assault, Defamation
4. ☐ Marine Personal Injury
5. ☐ Motor Vehicle Personal Injury
6. ☐ Other Personal Injury (Please specify)
7. ☐ Products Liability
8. ☐ Products Liability — Asbestos
9. ☒ All other Diversity Cases
(Please specify) Fraud

ARBITRATION CERTIFICATION

(Check Appropriate Category)

I, Mark L. Rhoades, counsel of record do hereby certify:

☒ Pursuant to Local Civil Rule 53.2, Section 3(c)(2), that to the best of my knowledge and belief, the damages recoverable in this civil action case exceed the sum of $150,000.00 exclusive of interest and costs;

☐ Relief other than monetary damages is sought.

DATE: October 18, 2016 [signature] Attorney-at-Law 80641 Attorney I.D.#

NOTE: A trial de novo will be a trial by jury only if there has been compliance with F.R.C.P. 38.

I certify that, to my knowledge, the within case is not related to any case now pending or within one year previously terminated action in this court except as noted above.

DATE: October 18, 2016 [signature] Attorney-at-Law 80641 Attorney I.D.#

CIV. 609 (5/2012)

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

CASE MANAGEMENT TRACK DESIGNATION FORM

Christine Bernstein	:	CIVIL ACTION
v.	:	
Keaveney Legal Group, James P. Keaveney, Joshua Thomas	:	NO.

In accordance with the Civil Justice Expense and Delay Reduction Plan of this court, counsel for plaintiff shall complete a Case Management Track Designation Form in all civil cases at the time of filing the complaint and serve a copy on all defendants. (See § 1:03 of the plan set forth on the reverse side of this form.) In the event that a defendant does not agree with the plaintiff regarding said designation, that defendant shall, with its first appearance, submit to the clerk of court and serve on the plaintiff and all other parties, a Case Management Track Designation Form specifying the track to which that defendant believes the case should be assigned.

SELECT ONE OF THE FOLLOWING CASE MANAGEMENT TRACKS:

(a) Habeas Corpus – Cases brought under 28 U.S.C. § 2241 through § 2255. ( )

(b) Social Security – Cases requesting review of a decision of the Secretary of Health and Human Services denying plaintiff Social Security Benefits. ( )

(c) Arbitration – Cases required to be designated for arbitration under Local Civil Rule 53.2. ( )

(d) Asbestos – Cases involving claims for personal injury or property damage from exposure to asbestos. ( )

(e) Special Management – Cases that do not fall into tracks (a) through (d) that are commonly referred to as complex and that need special or intense management by the court. (See reverse side of this form for a detailed explanation of special management cases.) ( )

(f) Standard Management – Cases that do not fall into any one of the other tracks. (X)

10/18/2016	Mark L. Rhoades	Christine Bernstein
Date	**Attorney-at-law**	**Attorney for**
215-496-9002	202-499-1370	mrhoades@gowenrhoades.com
Telephone	**FAX Number**	**E-Mail Address**

(Civ. 660) 10/02

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Attorney for Plaintiff

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

CHRISTINE BERNSTEIN, 660 Ocean Avenue, Apt. 525 Revere, MA 02151 *Plaintiff,* **v.** **KEAVENEY LEGAL GROUP, JAMES P. KEAVENEY, ESQ., and JOSHUA THOMAS, ESQ.** 1101 North Kings Highway, Suite G100 Cherry Hill, NJ 08034 *Defendants.*	**CIVIL ACTION** **DOCKET NO.: ______________** **Jury Trial Demanded**

COMPLAINT

Plaintiff, Christine Bernstein ("Bernstein" or "Plaintiff"), by and through her undersigned attorneys, files this Complaint and hereby alleges the following based upon personal knowledge as to Plaintiff's own acts and documents, and information readily obtainable on the internet, as follows:

PRELIMINARY STATEMENT

1. Defendants belong to a growing industry of fraudulent loan modification companies operating in Pennsylvania and throughout the United States. These loan modification companies attract homeowners struggling to meet their mortgage payments through false

marketing and promises, representing to unsuspecting homeowners that they are specialists who can save their homes, prevent foreclosure, and negotiate substantial reductions in their monthly mortgage payments.

2. In reality, the Defendants are merely profiteers engaged in a scheme designed to deceive and manipulate distressed homeowners, like Plaintiff here, desperate for financial relief.

3. Simply stated, the Defendants' interests to make money trumped their obligation to Plaintiff.

4. Despite the Defendants' promises that they would obtain a mortgage modification for Plaintiff, and receiving thousands of dollars in legal fees from Plaintiff for their purported legal services, in the end, it was Plaintiff, acting on her own, who obtained a loan modification.

5. After receiving an unexpected notice of a scheduled Sheriff's Sale of her home on December 26, 2014 – and subsequently learning that the Defendants never even submitted a complete loan modification application on her behalf – Plaintiff contacted her mortgage loan servicer and obtained a loan modification. Unfortunately, due to the delays caused by the Defendants, she was later forced to sell her house out of foreclosure at a significantly reduced price.

6. To understand how loan modification companies such as the one run by the Defendants thrive today on unsuspecting homeowners, one needs to understand the history of the recent housing bubble. In 2007, the housing bubble burst. Predatory lending practices, combined with a weakening economy, caused residential real estate prices in the United States to decline and foreclosures to increase. By 2008, those price declines and foreclosures deepened the economic crisis, and the United States entered what many consider to be the worst economic downturn since the Great Depression of the 1930s. This downturn, termed the "Great Recession," has resulted in

millions of Americans entering unemployment or underemployment and suffering tremendous financial hardship. To make matters worse, the problem turned back on itself: The Great Recession has further exacerbated the housing crisis by placing additional stress on individuals and families struggling to make their mortgage payments. As a result, the foreclosure rate has reached historic levels, exacting a devastating financial and emotional toll on millions of homeowners.

7. As the foreclosure crisis has swept across the nation, a new problem threatens to push homeowners further into debt and despair: loan modification scams. These operations defraud and victimize vulnerable homeowners, such as Plaintiff here, by operating corrupt for-profit loan modification businesses that target homeowners who are in danger of losing their home to foreclosure. Purporting to offer assistance to homeowners desperate to modify their home loans in exchange for sizable upfront fees and monthly fees, these scammers are instead offering phantom services, causing further devastation to homeowners when they realize the scam.

8. The scams themselves are heavily promoted, especially in areas with high rates of foreclosures. In some cases, using publicly available databases to identify homeowners in default, scammers contact victims by telephone, mail, or email. In other cases, homeowners initiate contact with the scamming operation after seeing a print, television, or internet advertisement. Here, Plaintiff was lured into seeking the Defendants' services as a result of the Defendants' extensive internet advertisements.

9. Once the scamming operation makes contact with a victim, it falsely claims to have specialized knowledge that will enable it to lower the homeowner's monthly mortgage payments and will allow the homeowner to stay in his or her home. The scamming operation promises that, in exchange for an upfront fee and monthly fees, it will re-negotiate the homeowner's mortgage with his or her servicer or lender.

10. As soon as the homeowner pays the upfront fee, however, the homeowner's inquiries into the status of the loan modification process typically go unanswered and calls are not returned. In the end, there is little to no work done on the homeowner's behalf.

11. In Plaintiff's case, she ultimately obtained a loan modification but it was due solely to her efforts and not those of the Defendants. However, given the delays in obtaining the modification, her house ultimately went into foreclosure and she had to sell it at a much reduced price.

12. The prevalence of loan modification scams has risen sharply as foreclosures have climbed. In December 2010, in an effort to combat this onslaught of loan modification scams, the FTC issued its Final Rule 16 C.F.R. Part 322, which prohibits for-profit providers of "Mortgage Assistance Relief Services" ("MARS") from accepting upfront fees, making representations about the likelihood of results, or instructing homeowners to cease communications with their lenders or servicers. *See* 16 C.F.R. §§322.1-11 (2010).

13. Sadly, this situation has created a perfect storm for certain unscrupulous attorneys—like Defendants—to prey on homeowners who face dire circumstances. As the defendants learned, the MARS rule contains an exception. In certain narrow circumstances, the law permits up-front payments when loan modification services are provided by an attorney. 16 C.F.R. § 322.7(a)(1)-322.7(a)(3)[1]. Instead of actually providing help to those who need it most, these individuals seek only to profit from others' distress.

[1] The ABA passed Resolution 111C on February, 9, 2015; this resolution urged federal, state and local governments to continue to enforce and enact rules or legislation to strengthen consumer protections regarding deceptive or fraudulent loan foreclosure rescue practices. The report accompanying the Resolution noted that complaints about rescue scams involving attorneys showed a steady increase since 2010 and that complaints about attorney-involved scams were 59% of all the complaints received in 2013 by the non-profit Loan Modification Scam Prevention Network.

14. Defendants Keaveney and Thomas believed they could use this exception to Keaveney Legal Group's advantage. By claiming that they as attorneys they are providing loan modification services, their colleagues could continue accepting up-front fees without fear of liability. Moreover, by highlighting the presence of an attorney at the head of the company, they could create a veneer of legitimacy in an industry often associated with get-rich-quick schemes and fly-by-night operations.

15. The Keaveney Legal Group advertises 13 office locations in Pennsylvania and New Jersey on its website, however, it appears only 2 staff attorneys to cover these offices.

16. The instant lawsuit exposes a particular dangerous and burgeoning strain of the aforementioned scam; the offer of legal services in connection with loan modification applications. Critical to this scam's success is the illusion that an attorney, boasting unique expertise and legal knowledge, will personally work on each application and shield the homeowner applicant from the uncertainties and delays typical of the loan modification process.

17. The upfront fee demanded by the perpetrators of the scam is labeled as a "retainer". Homeowners thus are lured into believing that loan modifications are the domain of attorneys, and that they cannot enter into the loan modification process without legal representation. However, in Plaintiff's case here, it appears that the defendants Keaveney and Thomas, never touched the file.

18. In violation of these and other laws protecting consumers, Defendants have caused financial injury to Plaintiff.

19. Unfortunately, Plaintiff is not alone in being a victim of the Defendants' actions. Based upon reviews and comments by other clients of the Defendants available at http://www.lawyerdb.org/LawFirm/Keaveney-Legal-Group-LLC-Review/ and

https://www.avvo.com/attorneys/19103-pa-joshua-thomas-4006849.html, many others have suffered at the hands of the Defendants.

20. Defendants have operated in flagrant disregard for applicable licensing regulations and rules governing the negotiation of "distressed property" loans.

21. Moreover, Defendants have breached the written and oral contracts entered into with Plaintiff and have fraudulently misrepresented the nature of their business.

PARTIES

22. Plaintiff, Christine Bernstein ("Plaintiff"), is a female adult individual residing at 660 Ocean Avenue, Revere, Massachusetts 02151. Plaintiff is a resident of Massachusetts.

23. Defendant, Keaveney Legal Group ("KLG"), is a New Jersey limited liability company with a principal place of business located at 1101 North Kings Highway, Suite G100, Cherry Hill, New Jersey 08034. KLG is a resident of New Jersey.

24. Defendant, KLG, does business within the Commonwealth of Pennsylvania at 1650 Market Street, Suite 3600, Philadelphia, PA 19103. The defendants meet with Plaintiff at KLG's Philadelphia offices.

25. Defendant, James P. Keaveney, Esquire ("Keaveney"), is an attorney employed by KLG and was responsible for handling Plaintiff's case. At the time of the facts giving rise to Plaintiff's Complaint, Keaveney was a licensed attorney in Pennsylvania and New Jersey. Keaveney maintains a law office located at 1101 North Kings Highway, Suite G100, Cherry Hill, New Jersey. Upon information and belief, Keaveney is a resident of Florida.

26. Defendant, Joshua Thomas, Esquire ("Thomas"), is an attorney employed by KLG and was responsible for handling Plaintiff's case. At the time of the facts giving rise to Plaintiff's Complaint, Thomas was a licensed attorney in Pennsylvania and New Jersey. Thomas maintains

a law office located at 1101 North Kings Highway, Suite G100, Cherry Hill, New Jersey. Upon information and belief, Thomas is a resident of Pennsylvania.

JURISDICTION AND VENUE

27. Because this civil action is between citizens of different states, and the matter in controversy exceeds the sum or value of $75,000, exclusive of interest and costs, this Court has original jurisdiction pursuant to 28 U.S.C. § 1332.

28. Venue is proper in this Court under 28 U.S.C. § 1391 because the actions that resulted in this action took place in this district.

FACTS COMMON TO ALL COUNTS

29. This is an action brought by Plaintiff who was lured by Defendants, KLG, Keaveney and Thomas and their associated entities into a cycle of delay, neglect and misrepresentations that ultimately resulted in the foreclosure of Plaintiff's home and its ultimate sale.

30. Plaintiff's introduction to the Defendants began with their advertisement on the internet claiming "Can Keaveney Legal Group Help? YES! The foreclosure lawyers at Keaveney Legal Group will do a thorough analysis of your documents to find out if they contain any information that be used in your defense. We also will aggressively pursue potential loan modifications that could give affordable terms and payments, allowing you to save your home." "We are results-driven and fight to achieve the best possible outcome to your foreclosure. Contact us by filling out the online form or calling us at our offices at 1-800-219-0939 today."

31. Plaintiff was contacted by, Antonio Romero ("Romero"), a salesperson from the KLG. Romero offered to meet Plaintiff at her home, but she chose to meet at the "rent an office" in Philadelphia. That meeting occurred on January 7, 2014.

32. At all times relevant to the facts alleged in this Complaint, Romero was an agent of the Defendants.

33. At the meeting, Romero indicated to Plaintiff that his territory was multi-states where he "sells" the services of the KLG.

34. Romero showed Plaintiff a video describing the difficulty for a homeowner to secure a loan modification on their own due to the "bad" behavior of the banks.

35. The Plaintiff was sold on what she believed was a fact, that she could not obtain a loan modification without the assistance of a law firm and that the best firm for the job was KLG.

36. Romero indicated that the KLG would be able to secure a loan modification for Plaintiff despite the fact that the sales person never inquired as to Plaintiff's income, expenses and the claimed amount owed on the mortgage.

37. Romero offered no "free consultation" as stated in Defendants' online advertisements. Specifically, Defendant states on their website "Save Your Home From Foreclosure – Free Consultation. There are several means by which a foreclosure defense can be formed, however, every situation is different and only after an evaluation can your options be determined. Keaveney Legal Group offers a FREE CONSULTATION to review your case and provide you all the information necessary to make an informed decision. Mr. Keaveney opened Keaveney Legal Group to help New Jersey & Pennsylvania homeowners stand up against large lending institutions who are trying to take away their homes. Contact the foreclosure defense attorneys at Keaveney Legal Group today and let us show you how you might save your home from foreclosure. Keaveney Legal Group works throughout the states of Pennsylvania and New Jersey and are here to help, not matter how desperate your situation."

38. Romero informed Plaintiff that the attorneys were the only ones that could communicate with the bank at this point because Plaintiff's case was now at the point of foreclosure and all communication had to be via lawyers. However, the foreclosure action had not been filed at that time and was not filed until January 17, 2014.

39. Romero closed the sale indicating that some people receive a loan modification as quickly as two months. Given the inevitable difference in their individual circumstance, not all homeowners are eligible for loan modifications. Nevertheless, Keaveney and Thomas promote their "services" as a one-size-fits-all basis, with no regard for each homeowner's particular financial circumstance.

40. Romero had Plaintiff convinced that if she did not retain the services of the KLG she would lose her home to foreclosure sale.

41. Romero quickly offered up a tissue once he had Plaintiff so stressed out and emotionally vulnerable to the point of tears.

42. At the conclusion of the meeting on January 7, 2014, Plaintiff entered in an agreement with James P. Keaveney, Joshua Thomas and the KLG. This "Representation Agreement on Foreclosure Defense", hereinafter referred to as the "Agreement", called for an initial payment of Fifteen Hundred ($1,500.00) and a monthly fee of $695.00.

43. The Agreement contained no qualifier as to how long this monthly fee was to paid other than until the conclusion of the case.

44. The Agreement is clear that all fees are non-refundable and that the fees become counsel's property on receipt and are deposited in counsel's operating account, not their trust account.

45. The monthly payment of $695.00 was to be via an automatic credit/debit charge account until the matter was resolved.

46. During the course of the Defendants' representation of Plaintiff, she paid the Defendants $8,195 in legal fees.

47. Upon retaining Defendants, Plaintiff immediately provided to Defendants the requested documents required to submit an application for loan modification.

48. On January 20, 2014, Plaintiff emailed Defendants requesting to be copied on all correspondence as Plaintiff felt she was in the dark as to what was happening with the application.

49. Plaintiff was concerned that she had not heard from Defendants since she submitted all of the requested documents.

50. In response to Plaintiff's January 20, 2014 email, on February 12, 2014, Plaintiff received an email from KLG, stating that "In your representation agreement you agreed to monthly payments – you always have the option to switch to hourly ($375.00/hour). If you decide you would like to become hourly, we can provide you with a detailed monthly invoice as well as the correspondence between our firm, the Lender, and the Court." Shockingly, for Plaintiff to even see communications between her lawyers and her loan servicer, she was required to pay more.

51. Defendant claimed "If we send partial or outdated documents, they will not even bother reviewing them." And "Please be aware that your package cannot be submitted until it is complete, because your servicer will not even begin to process it until they have every document they need." And, "Your Lender will put your modification application to the bottom of their reviews if they find something is missing."

52. None of these statement are true and accurate statements pursuant to the rules and regulations of the Consumer Financial Protection Bureau ("CFPB") and HAMP that regulate the mortgage servicing arena and loan modification processes.

53. On February 27, 2014, Thomas, entered his appearance on behalf of Plaintiff in the foreclosure action.

54. On March 14, 2014, Defendant's, on behalf of Plaintiff, filed an Answer to Complaint. The Answer contained boilerplate assertions, most of which were false. For example, Defendants claim that Plaintiff's interest is unethically high when in fact the interest rate at loan origination was 5.75% on a 30 year fixed mortgage and then it was modified to 5%. This rate, based on industry standards when the loan was originated, is a competitive rate. Defendants also make claims of various violations of the Truth in Lending Act ("TILA") that were all unsupported.

55. In response to the Defendants' requests, Plaintiff continued to provide the same documents multiple times over a 12-month period of time to the Defendants.

56. The Defendants would make piecemeal requests of Plaintiff for documents that they represented that the servicer required to evaluate Plaintiff's requested loan modification. As a result, when Plaintiff submitted the requested documents, the previously submitted documents were then stale. It was a never-ending treadmill of futility. Meanwhile interest and fees continued to accrue on the account every month. And, all the while, Plaintiff was continuing to pay the Defendants' monthly bill for non-existent legal services.

57. Plaintiff was constantly shuffled between employees, none of whom provided meaningful assistance or actually submitted her application for a loan modification to the servicer.

58. On September 8, 2014, the Defendants prepared a "Certification" for Plaintiff's signature. This Certification was to be included in support of a purported Motion for Summary

Judgement filed on Plaintiff's behalf – a motion that was never filed on behalf of Plaintiff. In fact, Plaintiff had been kept so far out of the loop due to the lack of communication from the Defendants that she was not even aware that a foreclosure action had been filed against her.

59. On October 24, 2014, the servicer filed a Motion to Summary Judgement against Plaintiff. Plaintiff was not advised by the Defendants that the Motion was filed and was not provided a copy of the Motion.

60. Defendants drafted another "Certification" for Plaintiff to sign, dated November 17, 2014. This Certification was to be submitted in opposition to the servicer's Motion for Summary Judgment.

61. This second Certification asserts that it was the servicer that continued to request additional documentation from Plaintiff to evaluate her application for a loan modification. At the time Plaintiff signed the second Certification, she thought that the information contained therein was correct. However, Plaintiff later learned that the Defendants never submitted a loan modification to the servicers on her behalf.

62. It was not until December 15, 2014, that the Defendants notified Plaintiff that her application for a loan modification was finally submitted to the servicer. This is after the Defendant claimed on December 12, 2014, that the documents were stale despite the fact the Plaintiff had hand-delivered the documents to the Defendants earlier that month. Plaintiff later learned that no loan modification was submitted by the Defendants to the servicer.

63. On December 9, 2014, the Court granted the servicer's Motion for Summary Judgment in the mortgage foreclosure case. The Defendants did not notify Plaintiff that summary judgment had been entered against her.

64. On December 26, 2014, the servicer filed a Praecipe to Enter Judgment Pursuant to the Court Order against Plaintiff for damages in the amount of $397,252.78. The Defendants never advised Plaintiff that the Praecipe to Enter Judgment was filed.

65. On December 27, 2014, Plaintiff received, at her home, a surprise Notice of Sheriff's Sale of Real Property scheduling the sale of her home.

66. It is not until January 2, 2015, one year after Plaintiff retained Defendants, that the servicer of the subject loan, Santander, acknowledge receipt of the application for a loan modification. However, shockingly, the loan modification was in response to a modification request submitted to Santander directly ***by Plaintiff*** – not by the Defendants.

67. After receiving notice of the Sheriff's Sale, having lost confidence in the Defendants, Plaintiff contacted Santander directly to determine the status of her loan modification. Santander advised her that they only contact they had had with the Defendants was a notice from January or February 2014 from the Defendants that they were representing Plaintiff.

68. Plaintiff was surprised to learn that Santander had never even received a loan modification application from the Defendants on behalf of Plaintiff.

69. Due solely to her own work directly with the servicer, Plaintiff was granted a loan modification by the servicer on February 27, 2015. Pursuant to the modification, the foreclosure process, including the Sheriff's Sale, was suspended.

70. Ultimately, given the amount of interest and fees that had accrued on the mortgage while the Defendants' failed to take any action on behalf of Plaintiff (those fees and accrued interest were rolled into the new mortgage amount), and given the fact that Plaintiff obtained employment in Massachusetts, she ultimately sold her house in April 2015.

71. At the time the house was sold, it was in foreclosure. As a result, she obtained a significantly lower price for the house than if it were not in foreclosure.

72. In addition, had the Defendants' actions and inactions not resulted in a one-year delay in obtaining a loan modification, the monthly payment for the loan modification would have been lower.

CAUSES OF ACTION

COUNT I

VIOLATION OF PENNSYLVANIA'S UNFAIR TRADE PRACTICES AND CONSUMER PROTECTION LAW, 73 P.S. § 201-1 – 201-9.3

Ms. Bernstein v. Defendants

73. All allegations of the preceding paragraphs are incorporated herein as though set forth in full.

74. Defendants knowingly and willfully violated the Unfair Trade Practices and Consumer Protection Law by engaging in acts and practices that were misleading in a material way, unfair, deceptive, and contrary to public policy and generally recognized standards of business.

75. Defendants' promotion, marketing, and advertising of its services and products are misleading in a material respect, deceptive, and are directed at the general public and consumers within the State of Pennsylvania.

76. Defendants' false advertising, marketing and promotion described hereinabove intentionally, deliberately, willfully or knowing deceives the public and consumers, confuses or is likely to confuse the public and consumers, and materially misleads consumers as to the nature, characteristics and/or qualities of its products and services.

77. A reasonable consumer acting reasonably under the circumstances would have believed, as Plaintiff did, that Defendants' statements made in person, online, in printed materials, and over the phone regarding the costs, time, nature, and efficacy of Defendants' services were truthful.

78. These practices include but are not limited to:

a. Charging Plaintiff an upfront fee for mortgage modification services when this service is typically provided at little or no cost through HUD-approved housing counselors;

b. Misrepresentation Defendants' level of expertise in performing loan modification services;

c. Misrepresenting to Plaintiff the length of time it would typically take to obtain a loan modification;

d. Falsely promising that Defendants would engage in negotiations with Plaintiff's mortgage servicer;

e. Falsely stating that Plaintiff would receive a free consultation in which her case would be reviewed and provided to her all the information necessary to make an informed decision;

f. Misrepresenting that Defendants would be readily available to address Plaintiff's questions and concerns;

g. Misrepresenting the progress of the loan modification application;

h. Falsely representing to Plaintiff that an experienced attorney would provide legal services in connection with her mortgage modification application; and

i. Falsely representing to Plaintiff that an attorney was needed or was highly beneficial for filing a mortgage modification application, when that is not the case.

79. The aforementioned actions comprise unfair and deceptive acts and practices as defined by the Pennsylvania Unfair Trade Practices and Consumer Protection Law, 73 P.S. § 201-2 (v), (vii), (ix), (xv) and (xxi).

80. Plaintiff suffered damages as a proximate result of Defendants' deceptive acts because Plaintiff accrued various costs, fees, penalties and consequential damages. But for Defendants' actions, Plaintiff would have commenced negotiations with her servicer for a loan modification with lower monthly payments at an earlier date and obtained a loan modification. Moreover, she could have sold her house for a higher price had it not been the subject of foreclosure. The Defendants' actions and inactions delayed her efforts to obtain a loan modification.

81. Defendants' statements and actions described hereinabove entitle Plaintiff to actual or treble damages, attorney's fees and injunctive relief under 73 P.S. § 201-9.2.

WHEREFORE, Plaintiff prays for relief against Defendants, jointly and severally, for all damages suffered, including but not limited to various costs, fees, penalties and consequential damages; damages for the loss of Plaintiff's home to foreclosure; and general damages in an amount in excess of the jurisdictional limits of this Honorable Court in an amount to be determined at trial, plus trebled damages and punitive damages and attorneys' fees and cost, and such other and further relief as the Court deems just and all other damages to the fullest extent provided by Pennsylvania law.

COUNT II

COMMON LAW FRAUD

Ms. Bernstein v. Defendants

82. All allegations of the preceding paragraphs are incorporated herein as though set forth in full.

83. Defendants made intentional misrepresentations and/or failed to provide material information, including, but not limited to, the following:

   a. Falsely representing to Plaintiff that they were loan modification specialists;

   b. Falsely representing that Defendants had a very high success rate in obtaining loan modifications;

   c. Falsely representing that Plaintiff was "qualified" or was otherwise likely to obtain a loan modification approval when the Defendant never "qualified" the eligibility of Plaintiff for a loan modification;

   d. Falsely representing that Plaintiff's file would be worked on by attorneys.

84. Defendants made these representations and omissions knowing that they were false at the time they were made.

85. Defendants offered these statements as fact, not opinion, with the intent to induce Plaintiff to purchase their loan modification services, to convince Plaintiff to remain as a client and to prevent Plaintiff from learning the true nature of Defendants' scheme.

86. Plaintiff had a reasonable right to rely and, in fact, did rely on Defendants' representations and omissions of material facts in agreeing to what Plaintiff believed to be a legitimate loan modification and foreclosure defense service. Plaintiff's reliance was reasonable particularly because Plaintiff was a consumer receiving representations from a sophisticated law

firm and its employees regarding a highly technical service. Had Plaintiff known the truth about the misrepresentations and omissions, Plaintiff would not have entered into the transaction with Defendants.

87. Plaintiff suffered damages as a direct and proximate result of her reasonable and justified reliance on Defendants' intentional misrepresentations and failures to disclose. Plaintiff's damages include, but are not limited to, the loss of her upfront and subsequent payments to Defendants, as well as the additional fees, costs, penalties accrued and the loss of her home as a result of Defendants' misrepresentations.

88. Defendants' actions were willful, intentional, knowing, and malicious.

89. The causes of action for fraud and fraudulent inducement are based on representations and inducements made outside of, and separate from, the express terms of the contract between Defendants and Plaintiff.

90. Defendants are liable to Plaintiff for actual damages in an amount to be determined at trial; punitive damages in an amount sufficient to prevent others from engaging in similar schemes; costs and disbursements; and attorneys' fees.

WHEREFORE, Plaintiff prays for relief against Defendants, jointly and severally, for all damages suffered, including but not limited to various costs, fees, penalties and consequential damages; damages for the loss of Plaintiff's home to foreclosure; and general damages in an amount in excess of the jurisdictional limits of this Honorable Court in an amount to be determined at trial, plus punitive damages and attorneys' fees and cost, and such other and further relief as the Court deems just and all other damages to the fullest extent provided by Pennsylvania law.

COUNT III

VIOLATION OF 11 U.S. CODE § 528 – REQUIREMENTS FOR DEBT REFIEF AGENCIES

Ms. Bernstein v. Defendants

91. All allegations of the preceding paragraphs are incorporated herein as though set forth in full.

92. Defendants' literature, advertisements and contract all state the following: "This Law Firm is designated as a Federal Debt Relief Agency by an Act of Congress and the President of the United States".

93. As a Debt Relief Agency, the Defendants are prohibited from making an untrue or misleading statement pursuant to 11 USC § 526(a)(2).

94. Defendants made untrue and misleading statements to Plaintiff, including, but not limited to, the following:

a. Falsely representing to Plaintiff that they were loan modification specialists;

b. Falsely representing that Defendants had a very high success rate in obtaining loan modifications;

c. Falsely representing that Plaintiff was "qualified" or was otherwise likely to obtain a loan modification approval when the Defendant never "qualified" the eligibility of Plaintiff for a loan modification;

d. Misrepresentation Defendants' level of expertise in performing loan modification services;

e. Misrepresenting to Plaintiff the length of time it would typically take to obtain a loan modification;

f. Falsely promising that Defendants would engage in negotiations with Plaintiff's mortgage servicer;

g. Falsely stating that Plaintiff would receive a free consultation in which her case would be reviewed and provided to her all the information necessary to make an informed decision;

h. Misrepresenting that Defendants would be readily available to address Plaintiff's questions and concerns;

i. Misrepresenting the progress of the loan modification application;

j. Falsely representing to Plaintiff that an experienced attorney would provide legal services in connection with her mortgage modification application; and

k. Falsely representing to Plaintiff that an attorney was needed or was highly beneficial for filing a mortgage modification application, when that is not the case.

95. Plaintiff suffered damages as a proximate result of Defendants' untrue and misleading statements because Plaintiff accrued various costs, fees, penalties and consequential damages; whereas Plaintiff would have commenced negotiations with her servicer for a loan modification with lower monthly payments at an earlier date and by obtaining a loan modification and would not have lost her house to foreclosure had Defendants' misleading and untrue statements not delayed her efforts.

WHEREFORE, Plaintiff prays for relief against Defendants, jointly and severally, for all damages suffered, including but not limited to various costs, fees, penalties and consequential damages; damages for the loss of Plaintiff's home to foreclosure; and general damages in an amount in excess of the jurisdictional limits of this Honorable Court in an amount to be determined at trial, plus punitive damages and attorneys' fees and cost, and such other and further relief as the Court deems just and all other damages to the fullest extent provided by Pennsylvania law.

COUNT IV

LEGAL MALPRACTICE

Ms. Bernstein v. Keaveney and Thomas

96. All allegations of the preceding paragraphs are incorporated herein as though set forth in full.

97. Defendants Keaveney and Thomas ("the Attorney Defendants") failed to exercise the degree of care, skill, and diligence commonly possessed and exercised by a member of the legal community.

98. The Attorney Defendants' failure to exercise the required degree of care, skill, and diligence includes, but is not limited to:

a. Failing to contact Plaintiff's servicer in a timely fashion;

b. Negligently preparing and failing to timely submit Plaintiff's application for a loan modification;

c. Neglecting to return telephone calls and respond to other communications from Plaintiff about the status of her loan modification;

d. Failing to update Plaintiff as to the status of her modification;

e. Misrepresenting the progress of Plaintiff's application for a loan modification;

f. Requiring that Plaintiff pay a higher rate for legal services if she wished to receive copies of correspondence between her lawyers and her loan servicer.

99. The Attorney Defendants' malpractice entitles Plaintiff to disgorgement of attorneys' fees already paid to Defendants and to consequential damages flowing from Defendants' malpractice, among other damages.

WHEREFORE, Plaintiff prays for relief against Defendants, jointly and severally, for all damages suffered, including but not limited to various costs, fees, penalties and consequential damages; damages for the loss of Plaintiff's home to foreclosure; and general damages in an amount in excess of the jurisdictional limits of this Honorable Court in an amount to be determined at trial, plus punitive damages and attorneys' fees and cost, and such other and further relief as the Court deems just and all other damages to the fullest extent provided by Pennsylvania law.

DEMAND FOR JURY TRIAL

Plaintiff demands a trial by jury on all causes of action so triable.

Respectfully submitted,

GOWEN RHOADES WINOGRAD & SILVA, PLLC

Dated: October 18, 2016

By: [signature]

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